

Georgina Beattie
Director
Better Regulation Office
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Sydney NSW 2001

Dear Georgina

Thank you for the opportunity to respond to the *'Review into licensing of selected occupations in NSW'*.

ATFA's response is in respect of the Timber Flooring industry and its part in the NSW licence class of *'Floor Finisher and Coverer'*.

ATFA recently responded to the Federal Government COAG Skills Taskforce reviewing licence classes on a national basis. To this end a copy of our response to the latest discussion paper is attached for your information. ATFA wish to make clear that the proposed license model in that paper is the industry's preferred model.

In addressing the points in your letter of 3 October 2008, ATFA wishes to offer the following advice:

- Timber flooring installation is currently licensed in three States (Qld, NSW and SA) and where work exceeds \$6000 in WA that work is deemed to fall under licensing conditions.
- Qld with the most rigid form of licensing has demonstrated benefit of licensing by being the only State to effectively and successfully remove defective timber floor issues from its top 10 consumer complaints (2nd in most other jurisdictions), demonstrating licensing works in this industry.
- As we understand it, defective timber floors are the second highest ranked complaint to the Office of Fair Trading in NSW, clearly demonstrating the need for licensing and the continuation of improving awareness thanks to licensing.
- NSW represents the highest number of timber flooring contractors in Australia, estimated to be approx 1200. According to the ATO figures established via their cash economy benchmarking project, NSW contractors also quote the cheapest rates in the country, demonstrating that there is little issue with compliance costs.
- ATFA believe that labour mobility for licensed operations is improved as their increased standards stand them well in other locations. In saying that, should licensing for timber flooring be introduced to other unlicensed States and Territories, mobility subsequently isn't an issue.

- It is ATFA's opinion that NSW has the most competitive market amongst its operators, born out by the heightened lack of loyalty in NSW to manufacturers and suppliers. This demonstrates that operators are always working to achieve best price.
- ATFA believes regulated licensing is the best way of protecting the interest of consumers – it should continue to be licensed in NSW and should be licensed nationally. ATFA also believe it should be extended to commercial work within NSW.
- The NSW licensing system coupled with ATFA's national timber flooring inspection system provides ultimate protection to consumers.
- The fact that over 60% of contractors are already licensed in NSW demonstrates a healthy rapport within the industry for the licensing regime. As a benchmark, Qld with a longer established and more rigorous system has approx 40% of contractors licensed.
- Furthermore, the licensing system operating in NSW could benefit from greater emphasis on penalising those who avoid licensing, rather than the current perception that those who continue to 'do the right thing' are under scrutiny.
- To potentially downgrade from licensing for the timber flooring industry would be a retrograde step and set the industry back significantly in its continued efforts to improve the quality of workmanship, product development and services to consumers.
- Licensing within NSW and Qld is creating an ongoing need for contractors to undertake training for self improvement purposes, in turn increasing the obtaining of qualifications in the State as well as the appointment of apprentices.

Thank you for the opportunity to comment and we look forward to working with you further in the protection of consumers and improvement of the timber flooring industry.

Yours Sincerely

Randy Flierman
CEO